



The Office of the Assistant Secretary

DEPARTMENT OF THE AIR FORCE  
WASHINGTON, DC 20330-1060

27 DEC 2000

CONTRACTING POLICY MEMO 00-C-03  
AFFARS Case 00-10

MEMORANDUM FOR ALMAJCOM/FOA/DRU

FROM: SAF/AQC  
1060 Air Force Pentagon  
Washington, DC 20330-1060

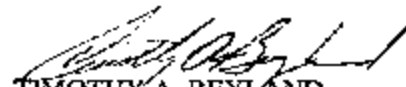
SUBJECT: Approval Levels for Defective Pricing Actions

Effective immediately, the clearance process under 5301.90 does not apply to defective pricing actions identified at AFFARS 5315.407-91-5. Each MAJCOM, FOA and DRU has the authority to establish procedures for the review and documentation of pre-negotiation objectives and disposition of defective pricing audit reports.

This policy memo amends the AFFARS on an interim basis to reflect the above changes (Atch 1). It rescinds SAF/AQC Contracting Policy Memo 98-C-08, dated 2 Jun 98 (Atch 2) and will remain in effect until the change is incorporated into the AFFARS or is rescinded by a subsequent policy letter.

In those organizations with a centralized Defective Pricing function, semi-annual reports should be provided to the applicable SPO Chief of Contracting to keep them apprised of the status/issues associated with their Defective Pricing cases.

Point of contact for this action is Paul A. Schill, SAF/AQCP, DSN 425-7053 or (703) 588-7053. His e-mail address is [paul.schill@pentagon.af.mil](mailto:paul.schill@pentagon.af.mil).

  
TIMOTHY A. BEYLAND  
Associate Deputy Assistant  
Secretary (Contracting)  
Assistant Secretary (Acquisition)

Attachments

1. Interim AFFARS revision
2. SAF/AQC Memo, 2 Jun 98

2001-5

64-10. Part 1 +  
Part 15  
Ficklin  
9 Jan 01

**PART 5301- FEDERAL ACQUISITION REGULATIONS SYSTEM**

**SUBPART 53.01.90 - CLEARANCE PROCESS**

**5301.9000 Scope and applicability.**

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(c) The clearance process under 5301.90 does not apply to defective pricing actions. Each MAJCOM, FOA, and DRU must establish clearance procedures for defective pricing actions.

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**PART 5315 - CONTRACTING BY NEGOTIATION**

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**SUBPART 5315.4 - CONTRACT PRICING**

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**5315.407-91 Follow-up on contract audit reports.**

**5315.407-91-1 General.**

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(d) Each MAJCOM, FOA, and DRU must establish procedures for the review and documentation of pre-negotiation objectives and disposition of defective pricing audits. The clearance procedures under 5301.90 do not apply to defective pricing actions.

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DEPARTMENT OF THE AIR FORCE

WASHINGTON, DC 20330-1060

Office Of The Assistant Secretary

CONTRACTING POLICY MEMO 98-C-08

02 JUN 1998

MEMORANDUM FOR ALMAJCOM-FOA-DRU (CONTRACTING)

FROM: SAF/AQC  
1060 Air Force Pentagon  
Washington, DC 20330-1060

SUBJECT: Approval Levels for Post-Award Contract Actions

Effective immediately, individual MAJCOMs, FOAs and DRUs may establish dollar thresholds different from those in AFFARS 5301.90 for defective pricing actions and other post-award contractual actions identified at AFFARS 5315.491-5. In establishing these thresholds, sound judgment should be used. Some of the considerations may be the number of the post-award actions being processed, the complexity of actions, and the dollar value of such actions.

This policy letter is effective until a change is made to the AFFARS or is rescinded by a subsequent SAF/AQC policy letter.

Point of contact for this action is Paul A. Schill, SAF/AQCP, DSN 425-7053 or (703) 588-7053. His e-mail address is [pschill@af.pentagon.mil](mailto:pschill@af.pentagon.mil).

*Frank J. Anderson Jr.*  
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